

Confidential.

Report on the subject of the Red River of the North.

THE undersigned, to whom has been referred the despatch of Her Majesty's Minister at Washington to His Excellency the Governor General, dated August 4th, 1879, and also that of the Secretary of State for the Colonies to the Governor General, dated October 1st, 1879, on the subject of the navigation of the Red River of the North, has the honor to report that, up to April last, the Government of Canada had, for a number of years, permitted American vessels to navigate freely that portion of the Red River within Canadian territory, and to land merchandise destined for any port in Canada on the river, and had formed the just expectation that similar privileges would be allowed by the Government of the United States to Canadian vessels on that portion of the river lying within the territory of that country. The reciprocity desired, however, in this respect was never attained, and the case of the steamer "Alpha," in 1873, and the steamer "Prince Rupert," in 1875, (mentioned in the despatch of Sir Edward Thornton of the 3rd of September of the latter year to Mr. Hunter, acting Secretary of State), were instances brought under the notice of the Government of the United States, at the request of that of Canada, of vessels under Canadian Registry refused the free navigation of the Red River within the United States, whilst American vessels were then, and had been for years, enjoying that privilege on that portion of the river lying north of the boundary line. It was after patient effort in this direction, and a long and unavailing continuance of the privileges to American vessels on the part of Canada, that the Government of this country caused the instructions conveyed by the circular of the 3rd of April last (referred to in Mr. Evarts' despatch of the 30th July) to be issued. It is to be borne in mind that, under these instructions, American vessels upon the Red River have only been placed upon the same footing on that part of the river lying in Canada which Canadian vessels, in spite of our example and efforts, have long occupied on the portion of the river lying within the United States. Mr. Evarts, in his despatch to Sir Edward Thornton, above referred to, complains of this treatment, and contrasts it with the privilege said to be granted to Canadian vessels navigating that portion of the river lying within the United States by Section 3102 of the Revised Statutes of that country, and urges also that the order to the Canadian Custom House officers "is liable to come in direct conflict with the stipulations of the second clause of Article XXX. of the Treaty of Washington, concluded May 8th, 1871, which permits citizens of the United States to carry in United States vessels, without payment of duty, goods, wares, or merchandise from one port or place within the possessions of Her Britannic Majesty in North America to another port or place within the said possessions: Provided, that a portion of such transportation is made through the territory of the United States by land carriage and in bond, under such rules and regulations as may be agreed upon between the Government of the United States and the Government of Her Britannic Majesty."

With reference to the last of those reasons, based upon the Thirtieth Article of the Treaty of Washington, the undersigned begs to observe that the language of the clause seems to establish its inapplicability to the case under discussion, as no part of the transportation in vessels affected by the order is made by land carriage through territory of the United States, but the vessels are loaded at a port in that country with merchandise to be delivered without land carriage at a port in Canada.

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With reference to the privileges said to be conferred on Canadian vessels by the section of the Revised Statutes referred to, the undersigned is confident that it will be learned with satisfaction by your Excellency's Government that the section is held by Mr. Evarts to confer the privileges which he mentions upon Canadian vessels. It must not, however, be overlooked that the language is the re-enactment of a Statute of the United States, passed in 1864, and that the cases referred to in the despatch of Sir Edward Thornton of the 3rd of September, 1875, to Mr. Hunter, of refusals on the part of the United States to allow Canadian vessels to ascend the Red River, occurred after that Act became law. But, whether it be that Section 3102 of the Revised Statutes was overlooked when this subject was formerly under consideration, or that a different interpretation is now placed upon it, the undersigned is persuaded that Your Excellency's Government will gladly co-operate in endeavoring to give effect to the liberal views now held by the Government of the United States as regards the navigation of the Red River, and he has the honor to recommend to Your Excellency in Council that it be proposed to the Government of the United States that the navigation of the Red River, from the point at which it enters Canada to its mouth, be made free to American vessels to load and unload as they may find convenient, subject only to the Customs and other laws and regulations of the country affecting all vessels alike, and without requiring the cargo of any such vessel to be sealed or closed by a Custom House officer, the Government of the United States granting similar privileges to Canadian vessels in that portion of the river lying within the territory of the United States.

All which is respectfully submitted.

A. CAMPBELL.

PRIVY COUNCIL,

OTTAWA, Nov. 5th, 1879.

5TH NOVEMBER, 1879.

*REPORT.—The Honorable Sir
Alexander Campbell on the subject of
the navigation of the Red River of the
North.*
